This record is a partial extract of the original cable. The full text of the original cable is not available.

#### CONFIDENTIAL HARARE 001496

#### SIPDIS

AF/S FOR BNEULING
NSC FOR SENIOR AFRICA DIRECTOR C. COURVELLE, D. TEITELBAUM
USDOC FOR AMANDA HILLIGAS, TREASURY FOR OREN WYCHE-SHAW,
PASS USTR FOR FLORIZELLE LISER, STATE PASS USAID FOR
MARJORIE COPSON, STATE PASS USDOI/FWS FOR RICHARD RUGGIERO

E.O. 12958: DECL: 12/31/2009
TAGS: <u>SENV EINV ECON PGOV EAID ZI</u>
SUBJECT: WHERE "SAVE" GOES, WILDLIFE WILL FOLLOW

Classified By: [Ambassador Christopher W. Dell for reason 1.5 d]

11. (SBU) Summary: After a decade of rescuing endangered species, Save Valley Conservancy, the largest private wildlife reserve in Africa, may now be facing its own extinction. Land reform has encroached upon the country,s vast wildlife lands, including those of the Conservancy. GOZ,s decisions on Save will have a significant effect on the future of wildlife and tourism in Zimbabwe. End Summary.

#### BACKGROUND

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- 12. (SBU) Founded in 1992, Save Valley Conservancy (SVC) encompasses 3,420 square kilometers in southeastern Zimbabwe. Fourteen separate property owners from Zimbabwe, the U.S., Germany, Italy, and South Africa have established a conservancy constitution and administration. SVC has successfully bred many endangered species.
- 13. (SBU) The GOZ has redistributed land to small-scale farmers in the southern portion of SVC, encroaching on the Conservancy and encircling Hammond Ranch, owned by an American investor, the Schenck family. The GOZ has also threatened nationalization of the whole conservancy, which would then be leased out for 25-year terms for wildlife resource management. This is an untenable business model for the present owners. The GOZ has listed and de-listed Hammond Ranch for acquisition on several occasions.

## ATTEMPTED NEGOTIATIONS

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- 14. (SBU) SVC,s manager, Clive Stockil, has engaged with the GOZ to seek an agreement on how to achieve both SVC,s wildlife protection and GOZ,s indigenization objectives.
- 15. (SBU) According to Stockil and the Schencks, SVC negotiated an indigenization plan with Special Affairs Minister John Nkomo. Nkomo introduced Stockil to a black-owned firm, Traditions. SVC was to include Traditions as minority partner in exchange for additional land from GOZ and some asset investment. The fourteen original owners were to retain their properties but a diminished stake in the incorporated conservancy. The GOZ would remove- and no longer resettle- Al farmers in SVC.
- 16. (SBU) Weldon Schenck stated the MOU was ready for signature when the GOZ changed its mind. The GOZ informed Stockil that SVC was now to negotiate with another group from Masvingo (where SVC is located). This new group includes Chief Chirumbira and a nephew of Josaya Hungwe, Masvingo, shardline Zanu-PF governor.

# THE CURRENT SITUATION

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- 17. (C) According to Schenck, Chirumbira and his colleagues want aggressive nationalization, with SVC to give up 100 percent ownership of all interests (businesses, land, etc.) now and to lease back 50 percent for a 25-year period. If GOZ insists on such a proposal, Schenck and others would simply pull out of Zimbabwe. Schenck said the SVC would not agree to such a proposal and is instead playing for time, hoping the political winds will change.
- 18. (SBU) Schenck and others have asked diplomatic missions with interests in SVC to attend meetings with GOZ officials and make commitments regarding possible donor assistance upon reaching a viable negotiated settlement. While U.S. policy precludes holding out assistance as a carrot for the GOZ, we have been working closely with other interested missions. We have agreed to meet and compare notes every two months.

## COMMENT

19. (SBU) SVC is now a threatened species, bordering on endangered. If the GOZ insists on the current proposal, Zimbabwe,s participation in a future Transfrontier Park with Mozambique and South Africa will become unlikely. SVC is a large chunk of Zimbabwe,s contribution to this ambitious plan to protect endangered species. Dell